

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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BRYCE YOKOMIZO
Director



December 27, 2004

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

SUBJECT: **BOARD OF SUPERVISORS MOTION: L.A. COUNTY FOOD STAMP ERROR
RATE PROGRESS REPORT
(BOARD ORDER #38 – APRIL 24, 2001)**

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

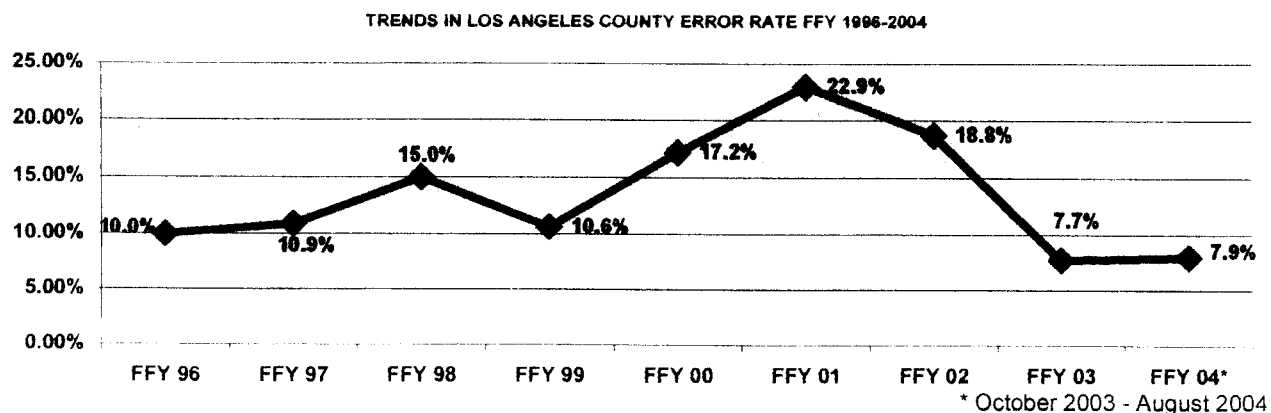
MICHAEL D. ANTONOVICH
Fifth District

This is to provide your Board with a quarterly progress report on the Los Angeles County Food Stamp error rate for Federal Fiscal Year (FFY) 2004. Representatives from the Chief Administrative Office (CAO) have reviewed and concur with the information in this report. Representatives from the Auditor-Controller have reviewed and agree with the data included in the Error Rate section of this report.

ERROR RATE

The United States Department of Agriculture - Food and Nutrition Service (FNS) conducts case record re-reviews to determine the accuracy of state findings. As a result of federal re-review, the Department's Food Stamp error rate for FFY 2003 increased slightly from 7.2% to 7.7%.

Food Stamp payment accuracy remains a top departmental priority. As shown on the chart below, the Quality Control (QC) error rate for the first eleven months of FFY 2004 is 7.9%. The Department has set a goal for FFY 2005 to reduce the Food Stamp error rate to less than 8%.



Sources: State Quality Control System Reports.

DPSS conducts ongoing, internal payment accuracy audits to measure performance in each district office. District offices are ranked based on these audits (see attachment). District managers are held accountable for their error rate performance, and these monitoring efforts contribute to ensured payment accuracy.

NEW CORRECTIVE ACTIONS

In June 2004, the Department implemented Quarterly Reporting (QR). QR represents a major change to the way eligibility is determined and benefits are calculated. This change has resulted in an increase in the error rate, particularly with regard to errors related to Earned Income. To address this issue, the Department is conducting a 100% Focused Review of Food Stamp cases with Earned Income. Approximately 65,000 Food Stamp cases are being reviewed.

The Focused Review began on December 20, 2004 and is targeted for completion by February 28, 2005. This review is being closely monitored to ensure that needed corrective actions are completed. We expect the review will positively impact the error rate in FFY 2005.

FOOD STAMP SANCTION UPDATE

In my last report, I advised your Board that California did not meet the 7.4% error rate target for FFY 2003 that was part of the sanction settlement agreement with FNS. The State's error rate for FFY 2003 was 7.96%. As a result, California must reinvest \$1 million in 100% State/County funded projects to reduce the error rate and place another \$1 million at risk based on performance for FFY 2004.

The State submitted the Department's CW 7 Automated Scanning and Tracking (CAST) System to FNS as a possible reinvestment project for California for FFY 2003. A final decision from FNS on the State's reinvestment proposals is expected by December 31, 2004.

I will continue to keep your Board advised with quarterly reports on the Food Stamp error rate.

BY:ps

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller

Los Angeles County Agency Only Food Stamp Payment Error Rates by District

FFY 2004

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG**	SEPT**	OCT-SEP	POS
Civic Center	0.45%	2.05%	0.50%	0.00%	0.00%	0.00%	1.69%	0.00%	0.00%	0.00%	0.00%	0.00%	0.41%	1
South Special	0.85%	0.74%	0.00%	0.17%	0.89%	0.36%	0.00%	0.33%	0.00%	2.50%	1.25%	1.00%	0.64%	2
Southwest Special	0.37%	0.21%	1.31%	2.79%	2.22%	1.07%	1.16%	0.00%	2.72%	4.54%	1.85%	3.70%	1.67%	3
Metro Special	1.55%	0.91%	0.72%	1.15%	0.28%	1.75%	1.65%	3.05%	2.79%	2.63%	2.31%	4.52%	1.68%	4
Rancho Park	0.00%	0.74%	1.27%	0.00%	1.44%	0.00%	0.43%	6.04%	5.23%	1.50%	4.05%	3.40%	1.86%	5
Wilshire Special	0.00%	1.46%	0.30%	2.22%	3.40%	4.60%	0.50%	2.03%	0.25%	3.31%	4.61%	1.81%	2.09%	6
SOUTH DISTRICT														
Florence	0.39%	1.67%	3.23%	0.66%	5.84%	1.08%	1.02%	0.20%	0.24%	1.29%	1.02%	2.68%	1.61%	1
Cudahy	0.97%	0.63%	0.00%	0.00%	2.50%	2.60%	0.62%	1.14%	2.64%	2.79%	4.46%	4.15%	1.88%	2
West LA	4.01%	1.74%	3.96%	1.46%	2.16%	3.70%	1.90%	0.69%	0.48%	2.01%	1.70%	2.60%	2.15%	3
San Gabriel	3.02%	1.25%	8.21%	2.10%	0.46%	0.85%	0.79%	0.00%	1.70%	1.22%	4.56%	2.72%	2.21%	4
Lincoln Heights	0.40%	2.33%	0.33%	0.97%	2.88%	1.78%	0.95%	1.89%	3.06%	3.11%	5.30%	5.63%	2.37%	5
El Monte	3.19%	2.57%	1.72%	1.87%	0.95%	1.68%	3.25%	1.79%	2.51%	1.32%	3.10%	4.57%	2.40%	6
Belvedere	1.90%	2.82%	1.39%	0.69%	1.87%	2.76%	2.03%	1.84%	6.34%	3.19%	3.11%	2.60%	2.56%	7
Norwalk	8.44%	1.41%	0.63%	2.39%	2.90%	1.33%	0.68%	0.84%	3.41%	3.85%	5.78%	2.62%	2.82%	8
Metro Family	2.30%	3.90%	2.65%	5.82%	0.63%	1.20%	1.50%	1.22%	3.36%	4.07%	1.79%	7.01%	2.96%	9
Pasadena	3.54%	4.77%	0.78%	1.34%	2.83%	2.88%	5.32%	1.49%	2.31%	1.47%	7.35%	2.97%	3.05%	10
West Valley*	3.06%	1.56%	1.53%	3.80%	1.48%	2.24%	1.50%	1.99%	6.85%	5.43%	3.67%	3.17%	3.05%	10
East Valley*	2.66%	4.23%	4.55%	4.20%	4.39%	2.53%	2.84%	1.67%	2.62%	4.54%	2.32%	3.25%	3.30%	11
Metro East	3.44%	1.17%	1.31%	3.98%	4.52%	1.11%	2.28%	1.68%	2.39%	3.69%	8.87%	5.10%	3.30%	11
Glendale	1.67%	3.58%	1.12%	1.60%	2.12%	1.54%	2.59%	1.21%	6.57%	3.92%	7.20%	8.26%	3.46%	12
Exposition Park	3.92%	4.23%	4.50%	4.61%	3.01%	2.42%	3.45%	2.37%	3.84%	1.76%	3.95%	3.82%	3.47%	13
South Central	4.33%	6.23%	3.13%	1.21%	3.22%	4.53%	2.28%	2.63%	4.05%	3.85%	2.39%	5.22%	3.61%	14
Metro North	2.18%	3.94%	2.86%	4.95%	2.01%	3.48%	0.48%	3.01%	1.18%	5.78%	10.92%	7.71%	4.05%	15
South Family	2.35%	5.59%	6.08%	3.28%	3.73%	2.96%	2.65%	3.72%	4.61%	5.32%	6.73%	6.64%	4.49%	16
Paramount	2.43%	6.31%	3.34%	4.93%	6.66%	1.88%	3.89%	4.70%	4.49%	5.20%	7.75%	4.92%	4.67%	17
SW Family	3.08%	3.53%	4.21%	2.99%	3.57%	4.20%	6.73%	5.82%	5.85%	7.47%	4.48%	6.74%	4.92%	18
Lancaster	5.99%	4.09%	5.28%	2.05%	5.36%	2.81%	4.41%	1.52%	4.49%	8.86%	9.77%	5.58%	5.10%	19
Compton	2.84%	4.02%	3.73%	3.35%	5.89%	3.43%	5.43%	3.84%	5.31%	5.85%	10.50%	7.41%	5.18%	20
Pomona	6.76%	5.67%	6.40%	7.85%	2.96%	3.82%	6.26%	3.97%	8.20%	7.01%	5.76%	1.75%	5.46%	21
TOTAL	2.74%	3.09%	2.90%	2.75%	2.93%	2.38%	2.61%	2.29%	3.69%	4.24%	5.14%	4.75%	3.31%	

* Includes Branch Offices.

** Preliminary